



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

DEC 27 2006

VIA FACSIMILE (828-253-1073)
AND FIRST CLASS MAIL

Robert B. Long, Jr., Esq.
Long, Parker, Warren & Jones, P.A.
Post Office Box 7216
Asheville, North Carolina 28802

RE: MUR 5730
Charles Taylor for Congress Committee and
David C. Blevins, in his official capacity as treasurer
Charles Taylor

Dear Mr. Long:

On December 12, 2006, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of violations of 2 U.S.C. § 441a-1(b)(1)(C)-(D) and 11 C.F.R. §§ 400.21(b) and 400.22(b), provisions of the Federal Election Campaign Act of 1971, as amended, and the Commission's regulations. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondents and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Ana J. Peña-Wallace
by
Ana J. Peña-Wallace
Attorney C&T

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 5730
Charles Taylor for Congress Committee and)
David C. Blevins, in his official capacity)
as treasurer)
Charles Taylor)

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities.

The Commission found reason to believe that Charles Taylor for Congress Committee and David C. Blevins, in his official capacity as treasurer, violated 2 U.S.C. § 441a-1(b)(1)(C), 2 U.S.C. § 441a-1(b)(1)(D), 11 C.F.R. § 400.21(b), and 11 C.F.R. § 400.22(b) and that Charles Taylor violated 2 U.S.C. § 441a-1(b)(1)(C) and 2 U.S.C. § 441a-1(b)(1)(D).

NOW, THEREFORE, the Commission and Charles Taylor for Congress Committee and David C. Blevins, in his official capacity as treasurer, and Charles Taylor (the "Respondents"), having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

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- 1 1. Charles Taylor for Congress Committee ("the Committee") is a political
2 committee within the meaning of 2 U.S.C. § 431(4). It was the authorized committee
3 for Charles Taylor, a candidate for the U.S. House of Representatives from the 11th
4 Congressional District in North Carolina in 2004.
- 5 2. David C. Blevins is the treasurer of the Committee.
- 6 3. If a candidate for the U.S. House of Representatives makes or obligates to make an
7 aggregate amount of expenditures from personal funds in excess of \$350,000 in
8 connection with any election, the candidate or his or her authorized committee shall file a
9 notification of the expenditure (FEC Form 10, 24-Hour Notice of Expenditure From
10 Candidate's Personal Funds), within 24-hours of the threshold being exceeded.¹ 2 U.S.C.
11 § 441a-1(b)(1)(C); 11 C.F.R. § 400.21(b). For each additional expenditure of \$10,000 or
12 more in connection with the election, the candidate is required to file additional 24-hour
13 notifications. 2 U.S.C. § 441a-1(b)(1)(D); 11 C.F.R. § 400.22(b).
- 14 4. These notifications must be filed with the Commission, each candidate in the same
15 election, and the national party of each such candidate within 24-hours . 2 U.S.C.
16 § 441a-1(b)(1)(F); 11 C.F.R. §§ 400.21(b) and 400.22(b). Although FEC Form 10 is
17 signed by the committee treasurer, the candidate is responsible for ensuring that it is filed
18 in a timely manner. *See* 11 C.F.R. § 400.25.
- 19 5. Each FEC Form 10 notice filed with the Commission must include the date and

¹ An expenditure from personal funds includes direct contributions by the candidate, an expenditure made by the candidate using personal funds, loans made by the candidate using personal funds, and loans made to the candidate's committee that are secured by the candidate's personal funds. 2 U.S.C. § 441a-1(b)(1)(A); 11 C.F.R. § 400.4.

1 amount of each expenditure from personal funds since the last notification and the total
2 amount of expenditures from personal funds from the beginning of the election cycle to
3 the date of the expenditure that triggered the notification.² 2 U.S.C. § 441a-1(b)(1)(E)(iii);
4 11 C.F.R. § 400.23.

5 6. Between September 24, 2004 and October 15, 2004, Mr. Taylor expended
6 \$250,000 in personal funds on his campaign in the form of bank loans he obtained for use
7 in his campaign.

8 7. On October 22, 2004, Mr. Taylor made a \$140,000 loan, derived from a bank loan, to
9 the Committee, increasing his total personal expenditures to \$390,000. By expending over
10 \$350,000, the Committee and Mr. Taylor were obligated to file with the Commission,
11 Mr. Taylor's opponent and his opponent's national party committee an FEC Form 10
12 within 24 hours of the threshold expenditure, which would have been October 23, 2004.
13 See 2 U.S.C. § 441a-1(b)(1)(C). The required FEC Form 10 was never filed with the
14 Commission.

15 8. In addition, the Committee failed to file four (4) additional FEC Form 10 notifications
16 regarding an additional loan and direct contributions from personal funds in excess of
17 \$10,000 that Mr. Taylor made to the Committee. Specifically, these expenditures
18 consisted of a \$110,000 loan to the Committee on October 25, which was derived from a
19 bank loan obtained by the candidate; and direct contributions from personal funds

² An election cycle runs from the date after the most recent election for the specific office to the date of the next election for that office. See 11 C.F.R. § 400.2(a). The primary and general elections are considered separate election cycles. See 11 C.F.R. § 400.2(b).

Mr. Taylor made to the Committee on October 25, October 27, October 29 and November 2, 2004, in the amounts of \$2,000, \$130,000, \$155,000, and \$20,000 respectively.

9. Respondents contend that they were not aware of the requirement for the filing of FEC Form 10 and its service required on the opponent and the opponent's national party committee.

V. Respondents committed the following violations:

1. Respondent Charles Taylor for Congress Committee and David C. Blevins, in his official capacity as treasurer, violated 2 U.S.C. § 441a-1(b)(1)(C) and 11 C.F.R. § 400.21(b) by failing to file an initial notification (FEC Form 10) with the Commission, Mr. Taylor's opponent and the opponent's national party committee disclosing that Mr. Taylor expended personal funds in excess of \$350,000. The Committee also violated 2 U.S.C. § 441a-1(b)(1)(D) and 11 C.F.R. § 400.22(b) by failing to file four additional notifications (FEC Form 10) following Mr. Taylor's additional expenditures of personal funds in excess of \$10,000.

2. Respondent Charles Taylor violated 2 U.S.C. § 441a-1(b)(1)(C) by failing to file an initial notification (FEC Form 10) with the Commission, his opponent and the opponent's national party committee disclosing that he expended personal funds in excess of \$350,000. Mr. Taylor also violated 2 U.S.C. § 441a-1(b)(1)(D) by failing to file four additional notifications (FEC Form 10) following additional expenditures of personal funds in excess of \$10,000.

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VI. Respondents will take the following actions:

1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Ninety-One Thousand Dollars (\$91,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).
2. Respondents will cease and desist from violating 2 U.S.C. § 441a-1(b)(1)(C), 2 U.S.C. § 441a-1(b)(1)(D), 11 C.F.R. § 400.21(b), and 11 C.F.R. § 400.22(b).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

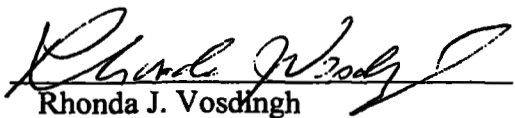
IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence H. Norton
General Counsel

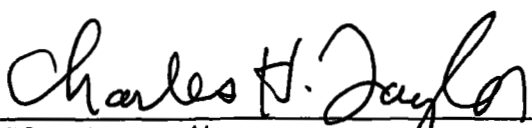
BY:


Rhonda J. Vosdingh
Associate General Counsel
for Enforcement

Date

12/27/06

FOR THE RESPONDENTS:


(Name) Charles H. Taylor
(Position) Candidate

Date

11-6-06

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